



State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Division of Oil Gas and Mining

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Lieutenant Governor

Inspection Report Minerals Regulatory Program

Report Date: November 5, 2007

Supervisor RZH

Mine Name: Bingham Canyon Mine
Operator Name: Kennecott Utah Copper
Mr. Rohan McGowan-Jackson, Manager
8362 West 10200 South
Bingham Canyon, Utah 84006

Permit number: M/035/002
Inspection Date: 11012007
Time: 1:00PM

Inspector(s): Ms. Beth Ericksen

Other Participants: Mr. Chris Kaiser, Mr. Doug Jensen, Mr. Kelly Payne, Mr. Lehoux: all participants from KUC)

Mine Status: Active

Weather: sunny and calm, 60°

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:

The purpose of the inspection was to view the reclamation activities that have taken place during 2007. KUC has targeted some demolition projects of retired facilities, which include Magna Concentrator Complex and the Arthur Complex. The 65-acre Arthur facilities area has been undergoing facility removal for a period of approximately two-years. Nine buildings were originally in the area. Further to the north, the Magna complex has undergone facility removal of several buildings, tanks, and the Old Tailings Pipe Bridge has been removed over the past few months.

Inspection Summary:

Elements of Inspection, #'s 6, and 12 are outlined in the summary below.

Arthur: Mr. Jensen explained the land area of approximately 65-acres has been shaped to ensure erosion and sediment is managed effectively. The area has received slope stabilization by appropriate grading and the slopes have been designed to blend with the natural surrounding topography. The slopes may not be an actual representation of the natural topography that existed prior to development, but the form looks natural and is similar to the surrounds.

There is a small sediment pond at the base of the flow area to collect any run-off, however, Mr. Jensen indicated there are several locations along the rolling slopes to allow for infiltration while vegetation becomes established and anchors the soils. The dramatic relief of the topography is minimal and the slope blending is soft and continuous.

Seeding is to occur the week of November 5, 2007 via drill and broadcast methods. A light application of fertilizer will be spread throughout the entire area.

The soil on the hillside east of the facility removal project will be used as a borrow source for the Magna Complex. Approximately 35000 cubic yards of material will be transported to the Magna site over the next eight-week period. This area will be regraded and seeded once the material has been removed.

Magna: The Magna area has had several buildings removed over the past few months. The area will receive fill material from the south in the near future. Mr. Jensen explained the regrading design plan is for gentle non-linear sloping to ensure control of sediment and erosion and enhance the aesthetics as well. He mentioned a large elm to the north near the road would remain due to the location a high-pressure gas line underneath.

Remaining Work under the Reclamation Activities outline (may not be limited to bullets):

- Ground ore slurry line running from Bonneville to Magna (concrete supports will be used as fill at Magna)
- Removal of the water tank and lined water pond at Bonneville (concrete will be buried in place)
- Concrete and Lumber shed at Arthur Complex
- Mine East and West pump station

Conclusions and Recommendations:

Reclamation activities regarding the Demolition Projects were on task and as outlined in the outline of KUC's Reclamation Activities Plan for 2007. Mr. Payne submitted a Revised Plan dated June 11, 2007 that included additional demolition work within the Magna area. He has been diligent in keeping the Division informed of current activities and modifications to the demolition activities for the year 2007. The demolition and grading has been successful and represents the efforts and commitments to ensure the hazardous conditions are eliminated and surfaces are stabilized.

Any area that has been reclaimed can undergo a partial permit release process upon meeting the following criteria: a) demolition completed b) backfill completed c) regrading d) vegetation

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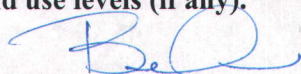
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establishment. Post mining land use for the Arthur area is wildlife habitat. Contact the Division for details.

The Division would like: a) final map showing the area(s) that have been reclaimed for the year 2007 b) Length of the slurry line c) identify soil areas that had metal concentrations that exceeded industrial land use levels (if any).

Inspector's Signature



Date:

11.9.07

BE:pb

cc: Mr. Chris Kaiser, Kennecott Utah Copper, KAISERC@KENNECOTT.COM
Mr. Kelly Payne, Kennecott Utah Copper, paynek@kennecott.com

Enclosure: Photo PICTURE PAK (6)

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FUTURE
REMOVAL

FLOW
DIRECTION

north

REGRADED AREA READY
FOR SEEDING
NOV 1 2007

NORTH

THIS MATERIAL WILL BE REMOVED AND USED AT MAGNA



NORTH

CLEAN UP AREA

ELM TREE
STAYS



NORTH

MAAGNA
NOV 1 2007

From: Beth Ericksen
To: Kelly (KUCC) Payne
Date: 11/14/2007 12:42 PM
Subject: RE: Inspection Report

CC: Chris (KUCC) Kaiser
Hi Kelly,

Thanks for the correction. I was hesitant calling it Arthur, but I pulled the info off a map. Thanks again for clarifying the information. I will print this email with your indication that the ore slurry line has been removed.

Everything looked great and I want to ensure you know that. Thanks for the conscientious reclamation efforts.

-Beth

>>> "Payne, Kelly (KUCC)" <paynek@kennecott.com> 11/14/2007 9:16 AM >>>
Beth,

Again we appreciate your visit and observations. Just one critical note, where you have referred to Arthur, you are discussing the activities at Bonneville. This probably needs correcting for future reference.

Also, the ore slurry line has been removed. It used to run down the hillside that we drove down when we traveled from Bonneville to Magna.

Thanks,

Kelly

-----Original Message-----

From: Penny Berry [<mailto:PENNYBERRY@utah.gov>]
Sent: Wednesday, November 14, 2007 8:54 AM
To: Kaiser, Chris (KUCC); Payne, Kelly (KUCC)
Cc: Beth Ericksen
Subject: Inspection Report

Please see the attached inspection report, you were cc'd. Thanks.